



## The Four-Day Work Week

Posted by [Pierluigi Oliverio](#) on Monday, December 29, 2008

Hope your Christmas and Hanukkah holidays were enjoyable. City Hall is closed from Dec. 24 through Jan. 5 for the annual furlough. Like many people, I am spending time with family and reconnecting with friends. I have known many of my friends since San Jose grammar school in the 1970s and '80s, so that puts us in the 35-45 age range. Most of my friends are married with children and both parents or partners work. Our discussions usually include catching up and memories of the past. This year, however, our conversations were mostly about the economy.

Many of my friends felt pretty bleak about 2009. Some were hoping that they could fast forward to Christmas 2009 just to get away from the recession. They were pessimistic since they knew that sales results for this quarter were poor and forecasts for next year are down. Also, their own companies (like their customers) are putting off spending. Nearly everyone I've spoken to over the holidays have told me their companies did an RIF (reduction in force). Also, they felt more layoffs were coming.

One friend told me that his employer went from 400 employees to 220 over the span of 2008, and come January 2009, they are going to do a 50 percent layoff. The company did not want to lay people off just before the holiday, so they chose to wait till the first week of January. The reason? No orders from customers. And these same customers were poised to do layoffs as well. My friends chatted about not wanting to get laid off since the prospects for a new job are not bright.

One employer went to a four-day week so the company could save money (survive) but keep their talent. When this topic came up, nearly everyone said that they would rather have the four-day-a-week job, making less money, then have to roll the dice on a new job. They also felt that three-day weekends would be relaxing. However, they would need to hold back on discretionary spending to cover their basic expenses. A few thought it better to have 80-85 percent of your salary and an extra day to start interviewing.

Many European companies are switching to a four-day work week. The goal is that companies will be able to reduce their costs (payroll and carbon footprint) and provide an additional rest day. Economic conditions in Europe, exemplified by weak market demands and high levels of productivity, have made this idea more popular. Companies have been able to minimize the number of layoffs with the shortened workweek. However, this involves more working hours per day, but most in Silicon Valley would admit that they already work more than eight hours in a day. Rumor has it that Cisco, National Semiconductor and Oracle are looking at four-day work weeks.

If your employer asked you in January to switch to four-day work week with a pay cut, would you say yes or hit the road? If you said no: Would you go out and find another job in your industry or career change? If you said yes: Would you enjoy that extra day of free time or be too stressed on making your basic payments? Should government hold back payroll spending during recessions to avoid layoffs and switch to a four-day work week, like the city of Atlanta?

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